



MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Sachi A. Hamai, Executive Officer-
Clerk of the Board of Supervisors
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

At its meeting held September 19, 2006, the Board took the following action:

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The following item was called up for consideration:

Joint recommendation with the Chief Administrative Officer and the Director of Personnel to approve proposed premium rates for County sponsored plans as follows: a) medical and dental rates for represented employees, b) medical and dental rates for non-represented employees for the period January 1, 2007 through December 31, 2007, c) optional term life insurance rates for represented employees and supplemental Group Variable Universal Life insurance rates for non-represented employees, and d) rates for Short-Term Disability, Long-Term Disability (LTD), and LTD Health Insurance plan; approve introduction of ordinance to implement recommended changes; and approve the following related actions:

Instruct the Mayor to sign the appropriate agreements with Blue Cross of California and Blue Cross Life and Health Insurance Company, Connecticut General Life Insurance Company and CIGNA Healthcare of California, Inc., Kaiser Foundation Health Plan, Inc., PacifiCare of California and PacifiCare Life & Health, Delta Dental Plan, SafeGuard Health Plans, Inc., Life Insurance of North America, Metropolitan Life Insurance Company and their successors or affiliates, as necessary, for the period of January 1, 2007 through December 31, 2007;

Approve proposed premium rates and benefit coverage changes for union sponsored plans for the Association for Los Angeles Deputy Sheriffs Inc., but not including extension of coverage to Unit 701 (Probation Officers), the California Association of Professional Employees, and the Los Angeles County Fire Fighters Local 1014 Health and Welfare Plan, for the period of January 1, 2007 through December 31, 2007;

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Approve an adjustment in the minimum County contribution under the MegaFlex and Flexible Benefit Plans from \$852 and \$626 per month, respectively, to \$918 and \$678 per month, respectively, to be initially reflected on the January 15, 2007 pay warrants; and

Instruct the Auditor-Controller to make all payroll system changes necessary to implement the changes recommended to ensure that all changes in premium rates are first reflected on pay warrants issued on January 15, 2007.

Also, consideration of Supervisor Molina's amendment to instruct the Chief Administrative Office and Department of Human Resources to jointly report back to the Board of Supervisors before February 15, 2007 on the results of the Mercer Audit on the 2007 rate increases for the Kaiser Health Plans, and a progress report on the Kaiser Health Plan's Cost Mitigation Goals and Objectives and an evaluation determining if they can be improved, expedited, or enhanced.

Blaine Meek, Dr. Lee, Brian Brooks and others addressed the Board.

Supervisor Burke suggested that the Chief Administrative Officer's attached joint recommendation with the Director of Personnel be amended to approve the medical insurance rates proposed by Kaiser Foundation Health Plan, Inc., conditioned upon receipt and verification of the data used by Kaiser to establish their new rates by December 31, 2006, and a provision to allow for renegotiation of the rates if they are not justified.

After discussion, on motion of Supervisor Burke, seconded by Supervisor Knabe, unanimously carried (Supervisors Molina and Antonovich being absent), the Board took the following actions:

1. Approved the Chief Administrative Officer's attached joint recommendation with the Director of Personnel, with the medical insurance rates proposed by Kaiser Foundation Health Plan, Inc's., approval conditioned upon receipt and verification of data used to establish their new rates by December 31, 2006, and a provision to allow for renegotiation of the rates if they are not justified; and

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2. Instructed the Chief Administrative Officer and Director of Personnel to jointly report back to the Board before February 15, 2007 on the results of the Mercer Audit on the 2007 rate increases for the Kaiser Health Plans, and a progress report on the Kaiser Health Plan's Cost Mitigation Goals and Objectives and an evaluation determining if they can be improved, expedited, or enhanced.

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Attachment

Copies distributed:

Each Supervisor
Auditor-Controller
Chief Administrative Officer
County Counsel
SEIU, Local 660
Coalition of County Unions
Mercer

(ALSO SEE BOARD ORDER NO. 61 THIS DATE)